

Diesel and Alternative Fuels Tax

The Special Fuels Tax Act was repealed by the ninety-third Legislature with the passage of LB 1160 and was replaced with the Diesel Fuel Tax Act and the Alternative Fuel Tax Act. This legislation became effective on July 1, 1994.

Diesel fuel includes all combustible liquids suitable for use in diesel-powered motor vehicles. It does not include kerosene. Undyed diesel fuel is subject to tax when it is imported into the state. A taxable import occurs when:

- (1) the fuel is withdrawn from a Nebraska pipeline

- terminal facility; or (2) the fuel is imported into Nebraska via truck or rail. Diesel fuel stored at a Nebraska pipeline terminal facility is not subject to the tax.

Undyed diesel fuel is taxed in the same manner as gasoline, upon receipt of the fuel as opposed to on the sale of the fuel.

Alternative fuel is defined as propane, compressed natural gas, liquefied petroleum gas, electricity, and any other source of energy used to power a motor vehicle, except motor vehicle fuels and diesel fuel.

Month	2005 Taxable Gallons	2004 Taxable Gallons	Percent Increase or (Decrease)	2005 Tax Due	2004 Tax Due	Percent Increase or (Decrease)
January	28,045,702	26,953,510	4.05%	\$7,075,016	\$6,637,027	6.60%
February	26,461,144	26,518,290	-0.22%	\$6,674,736	\$6,530,289	2.21%
March	34,004,851	32,516,254	4.58%	\$8,580,975	\$8,012,022	7.10%
April	32,426,053	32,859,244	-1.32%	\$8,181,554	\$8,093,826	1.08%
May	34,100,237	33,861,467	0.71%	\$8,604,418	\$8,263,293	4.13%
June	34,004,046	35,860,632	-5.18%	\$8,581,308	\$8,836,124	-2.88%
July	33,241,380	33,024,942	0.66%	\$8,354,075	\$8,132,668	2.72%
August	35,888,549	32,378,567	10.84%	\$9,020,158	\$7,976,450	13.08%
September	35,651,756	35,491,939	0.45%	\$8,962,291	\$8,744,323	2.49%
October	35,814,019	35,195,102	1.76%	\$9,001,150	\$8,669,613	3.82%
November	33,372,900	35,045,339	-4.77%	\$8,387,639	\$8,633,448	-2.85%
December	32,781,852	33,456,360	-2.02%	\$8,240,179	\$8,242,288	-0.03%
Total	395,792,489	393,161,646	0.67%	\$99,663,499	\$96,771,371	2.99%

Aircraft Fuels Tax

Aircraft fuels tax is imposed upon the importing, producing, refining, manufacturing, compounding, or blending of aircraft fuels in Nebraska for use, distribution, sale or delivery in this state. Aircraft fuels include aircraft gasoline, jet fuel, or any other fuel used exclusively for propelling aircraft.

The tax rate for aviation gasoline is 5¢ per gallon and the tax rate for aviation jet fuel is 3¢ per gallon. Revenue from the aircraft fuels tax is credited to the Department of Aeronautics Cash Fund.

Month	2005 Taxable Gallons	2004 Taxable Gallons	Percent Increase or (Decrease)	2005 Tax Due	2004 Tax Due	Percent Increase or (Decrease)
January	4,005,131	3,935,757	1.76%	\$117,968	\$116,056	1.65%
February	3,882,879	3,789,248	2.47%	\$114,565	\$111,376	2.86%
March	4,430,578	4,320,864	2.54%	\$132,387	\$128,393	3.11%
April	4,188,514	4,348,822	-3.69%	\$124,007	\$130,660	-5.09%
May	4,625,888	4,410,776	4.88%	\$138,836	\$131,466	5.61%
June	4,824,277	4,538,520	6.30%	\$144,668	\$135,607	6.68%
July	5,011,194	4,719,343	6.18%	\$150,774	\$144,542	4.31%
August	5,079,150	5,084,532	-0.11%	\$152,082	\$154,962	-1.86%
September	4,635,674	4,400,301	5.35%	\$137,835	\$131,842	4.55%
October	4,308,787	4,499,291	-4.23%	\$127,761	\$133,536	-4.32%
November	3,964,561	4,382,571	-9.54%	\$117,516	\$129,345	-9.15%
December	4,159,775	4,416,736	-5.82%	\$122,644	\$130,768	-6.21%
Total	53,116,408	52,846,761	0.51%	\$1,581,043	\$1,578,553	0.16%